

EXHIBIT 1

PYL APPAREL LIMITED

RM1101-02, 11/F, STELUX HOUSE 698 PRICE EDWARD
RD.EAST, SAN PO KONG, KOWLOON
TELEPHONE : (852) 2328 5595
FAX : (852) 2352 0211

JYMS8
5355

DATE : 12 APR. 2005

INVOICE NO. PYL-019/05-06

SOLD TO:

FROM HONG KONG TO : SOUTH HILL, U.S.A.

NORTON MCNAUGHTON OF SQUIRE, INC.
463 SEVENTH AVENUE, NEW YORK,
NEW YORK 10018, U.S.A.

SHIPPED PER S.S.: MARGRETHE MAERSK
V.0506
DATE SHIPPED ON/AB 12 APR., 2005

GROUP: PACIFIC ISLE 530

DESCRIPTION

SHIPPING MARKS

GARMENT
ON
HANGER

STYLE NO. JJACWYND, JLACWYND, JJACXYBX, JLACXYBX
LADIES' 100% POLYESTER WOVEN SKIRT.

HARMONIZED CODE : 6204.533010

CATEGORY NUMBER : 642

HANGER GARMENT FOB

PO#	STYLE#	HANGER#	QTY	U/PRICE	U/PRICE	U/PRICE	TOTAL AMOUNT
W2018513	JJACWYND	6212	348	US\$ 0.208	US\$ 5.694	US 5.80	US 2,053.20
W2017518	JJACWYND	6212	6,798	US\$ 0.206	US\$ 5.694	US 5.80	US 40,108.20
W2017522	JLACWYND	6212	2,760	US\$ 0.205	US\$ 5.554	US 5.76	US 15,897.60
W2018514	JJACXYBX	6212	380	US\$ 0.206	US\$ 6.744	US 6.95	US 2,641.00
W2017519	JJACXYBX	6212	6,853	US\$ 0.208	US\$ 6.744	US 6.95	US 47,628.35
W2017523	JLACXYBX	6212	2,760	US\$ 0.206	US\$ 6.164	US 6.37	US 17,581.20
			19,899 PCS			US	125,909.55

STYLE NO. JJACXYNC, JLACWYNC
LADIES' 100% POLYESTER WOVEN BLOUSE.

HARMONIZED CODE : 6208.403030

CATEGORY NUMBER : 641

HANGER GARMENT FOB

PO#	STYLE#	HANGER#	QTY	U/PRICE	U/PRICE	U/PRICE	TOTAL AMOUNT
W2018515	JJACXYNC	484	380	US\$ 0.135	US\$ 4.205	US 4.34	US 1,649.20
W2017520	JJACXYNC	484	3,452	US\$ 0.135	US\$ 4.205	US 4.34	US 14,981.68
W2017521	JLACWYNC	484	2,718	US\$ 0.135	US\$ 4.015	US 4.15	US 11,279.70
			6,550 PCS			US	27,910.58

STYLE NO. JJACXYNC, JLACWYNC
LADIES' 100% POLYESTER WOVEN TOP.

HARMONIZED CODE : 6211.430091

CATEGORY NUMBER : 659

HANGER GARMENT FOB

PO#	STYLE#	HANGER#	QTY	U/PRICE	U/PRICE	U/PRICE	TOTAL AMOUNT
W2018515	JJACXYNC		380	US\$		US 1.22	US 463.60
W2017520	JJACXYNC		3,452	US\$		US 1.22	US 4,211.44
W2017521	JLACWYNC		2,718	US\$		US 1.13	US 3,071.34
			6,550 PCS			US	7,746.38

MANUFACTURER I.D.#

CNBOLIKSHE

CONTAINER NO.

MSKU6058710, MAEU6000176 (40'CONTAINER)

BILL OF LADING NO.

MAEU501016075

TOTAL NET WEIGHT :

4800 KGS

TOTAL NET WEIGHT :

5057 KGS

TOTAL GROSS WEIGHT :

5115 KGS

TOTAL MEASUREMENT :

112 CBM

TOTAL SHIPPED QUANTITY : 32,559 PCS

DIVISION NAME : JONESWEAR

CODE : PAC

CLIENT : STOCK

COUNTRY OF ORIGIN : CHINA

TOTAL FOB AMOUNT : US\$ 161,565.51

SAY : TOTAL U.S. DOLLARS ONE HUNDRED SIXTY ONE THOUSAND FIVE HUNDRED SIXTY SIX AND CENTS FIFTY ONE ONLY.

DRAWN UNDER L/C NO. TD605500055381-5 ISSUED BY BANK OF AMERICA, N.A. DATED : 04 MAR. 2005

SHIPMENT CONTAINS NO SOLID WOOD PACKING MATERIALS*

6% SEPARATE BUYING COMMISSION BASED ON F.O.B. IS PAID ON THIS INVOICE

For and on behalf of
PYL APPAREL LIMITED
太平洋依力製衣有限公司

P000000029

EXHIBIT 2



[Home](#) [Our services](#) [Media room](#) [Careers](#) [About us](#) [Contact](#) [Local websites](#)

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Our services

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- » Refrigerated services
- » Dangerous cargo

Related information

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- » Glossary
- » Industry links

Our services

As a leading, world-class ocean carrier, we offer you second-to-none, door-to-door transportation service. With more than 500 container vessels, 1,900,000 containers and our own terminals, trucks and trains we ensure that you get a reliable worldwide coverage. Our offices in more than 125 countries ensure that you and your cargo will receive an excellent service in all corners of the world.

» Schedules



Containers and vessels

At your disposal is a vast and modern fleet of containers and vessels. From straightforward dry boxes to state-of-the-art controlled atmosphere reefers, we have the size and type of container to suit your needs. Our vessels are among the most modern, secure and environmentally friendly to sail the oceans. Your cargo is therefore assured a smooth and safe voyage.

E-business

With our advanced e-business solutions you have access to accurate, online information and the opportunity to do business at your convenience. We offer you a comprehensive suite of business tools on the web, on your desktop and as Electronic Data Interchange (EDI).

In our Do business section we offer you a complete suite of e-business solutions. You can find schedules, view rates, make your bookings and shipping instructions as well as track your cargo. You can also view, verify, approve and print your transport documents, view your account statement and access updated reports. Fast, accurately and securely.

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Do business

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EXHIBIT 3

MAERSK SEALAND

Shipper

PYL APPAREL LIMITED
RM1101-02, 11/F STELUX HOUSE,
698 PRINCE EDWARD RD. EAST, SAN PO
KONG, KLN. TEL: 23285595
FAX: 23520211 CONTACT: MS. LAM

Consignee (negotiable only if consigned "to order", "to order of" a named Person or "to order of bearer")

TO THE ORDER OF NORTON MCNAUGHTON
OF SQUIRE, INC.

UR MULTIMODAL TRANSPORT

MAEU 501016075

Booking No.

18476

Export references

Forwarder's name & address

Notify Party (see clause 22)

NORTON MCNAUGHTON OF SQUIRE, INC.
463 SEVENTH AVENUE, NEW YORK
NEW YORK, 10018, U.S.A.
ATTN : DONNA ARLORO

Onward inland routing (Not part of Carriage as defined in clause 1. For account and risk of Merchant)

Place of Receipt. Applicable only when document used as Multimodal Transport B/L (see clause 1)

Vessel (see clause 1 + 19) MARGRETHE MAERSK	Voyage No. 0506	Place of Delivery. Applicable only when document used as Multimodal Transport B/L (see clause 1) SOUTH HILL, VA
Port of Loading HONG KONG	Port of Discharge NORFOLK	

PARTICULARS FURNISHED BY SHIPPER - CARRIER NOT RESPONSIBLE

Kind of packages; Description of goods; Marks and Numbers; Container No./Seal No.		Gross Weight	Measurement
GARMENT ON HANGER	SHIPPER'S LOAD, STOW, WEIGHT AND COUNT FREIGHT COLLECT 2 CONTAINER(S) 32998 PCS CY 1/4 CY MSKU6058710 40/VENT 8'6 ML-HK3460128 MAEU6060176 40/VENT 8'6 ML-HK3411692	KGS 6115.000	CBM 112.000
	LADIES' 100% POLYESTER WOVEN SKIRT STYLE: YBX - 9973 PCS LADIES' 100% POLYESTER WOVEN BLOUSE. STYLE: YNC - 3832 PCS. LADIES' 100% POLYESTER WOVEN		
	LADEN ON BOARD MARGRETHE MAERSK 0506 AT HONG KONG	ON APR 12 2005	

Above particulars as declared by Shipper, but without responsibility of or representation by Carrier (see clause 14)

Freight & Charges	Rate	Unit	Currency	Prepaid	Collect
BASIC FREIGHT	2.00	4050.00	C	USD	8100.00
BUNKER ADJUST FACTOR	275.00	S4	C	USD	550.00
CARGO DECLARATION		SM	C	USD	25.00
PANAMA CANAL SURCHAR	115.00	S4	C	USD	230.00
CARRIER SECURITY CHA	6.00	S4	C	USD	12.00
EXCH. RATE	7.829700	TOTAL PREPAID:			

Carrier's Receipt (see clauses 1 and 14)
Total number of containers or packages received by Carrier.

Declared Value (see clause 7.3)

2 CONTAINER (S)

Place of Issue of B/L

HONG KONG

Number & Sequence of Original B(s)/L

FIRST OF THREE

Date of Issue of B/L

APR 12 2005

SHIPPED, as far as ascertainable by reasonable means of checking, in apparent good order and condition unless otherwise stated herein the total number or quantity of Containers or other packages or units indicated in the box opposite entitled "Carrier's Receipt" for carriage from the Port of Loading (or the Place of Receipt, if mentioned above) to the Port of Discharge (or the Place of Delivery, if mentioned above), such carriage being always subject to the terms, rights, defenses, conditions, exceptions, restrictions, and limitations hereof (INCLUDING ALL THOSE TERMS AND CONDITIONS ON THIS FCL B/L NUMBERED 1-28 AND THOSE TERMS AND CONDITIONS IN THE CARRIER'S APPLICABLE TARIFF) and the Merchant's attention is drawn in particular that the Carrier's liability in respect of sea deck storage (see clause 18) and the carrying vessel (see clause 19). Where the bill of lading is non-negotiable the Carrier may give delivery of the Goods to the named consignee upon reasonable proof of identity and without requiring surrender of an original bill of lading. Where the bill of lading is negotiable, the Carrier will be entitled to give delivery of the Goods agreed what he reasonably believes to be a genuine original bill of lading. Delivery as aforesaid is authorized and shall constitute due delivery hereunder and the Merchant shall have no claim for loss or non-delivery. In accepting this bill of lading, any local customs or privileges to the contrary notwithstanding, the Merchant agrees to be bound by all Terms and Conditions stated herein whether written, printed, stamped or incorporated on the face or reverse side hereof, as fully as if they were all signed by the Merchant.

In WITNESS WHEREOF the number of original Bills of Lading stated on the side have been signed and wherever one original Bill of Lading has been surrendered any others shall be void.

Signed for the Carrier A.P. Moller - Maersk A/S trading as Maersk Sealand

MAERSK HONG KONG LIMITED

As Agent(s) for the Carrier



ATTACHMENT NO.: 1 OF 1

MARKS & NUMBERS

DESCRIPTION

TOP
STYLE:YNC - 3832 PCS.

LADIES' 100% POLYESTER WOVEN
SKIRT.

STYLE:YND - 9906 PCS.

LADIES' 100% POLYESTER WOVEN
BLOUSE.

STYLE:YNC - 2718 PCS.

LADIES' 100% POLYESTER WOVEN
TOP

STYLE:YNC - 2718 PCS.

CODE : PAC

L/C NO. TD605500055381-5

INCLUDE STORE DOOR DELIVERY

THIS SHIPMENT CONTAIN NO SOLD
WOOD PACKING MATERIALS

ALSO NOTIFY:

BARTHCO INTL
5900 CORE AVE. SUITE 400
NORTH CHARLESTON, SC 29406
ATTN: BRIAN WILSON
TEL:843-744-1900 FAX:843-744-2450

FUEL CHARGE	50.00	S4	C	USD	100.00
HANGING EQUIP CHARGE	650.00	S4	C	USD	1300.00

EXHIBIT 4

NORFOLK MARITIME SURVEYORS, INC.
MARINE SURVEYORS
700 BAKER ROAD, SUITE 109, VIRGINIA BEACH, VA 23462
TAX I.D. NO: 20-0301126

02 June 2006

NMS File No.: 10499

Re:

Jones Apparel Group
M/V "Margarethe Maersk", Voy. 0506
Odor Contaminated Container of Clothing
Container No. MAEU600017-6
17 May 2005

Your Ref No: 10/0511127

To:

W.K. Webster (Overseas) Ltd.
80 Maiden Lane
New York, NY 10038

Attn: Mr. Stuart Shillibeer

Phone: (212) 269-8220
Fax No.: (212) 363-9726

Phone Number (757) 671-7775 * Facsimile Number (757) 671-7776

P000000011

NORFOLK MARITIME SURVEYORS, INC.
MARINE SURVEYORS
700 BAKER ROAD, SUITE 109, VIRGINIA BEACH, VA
23462 TAX I.D. NO: 20-0301126
E-MAIL ADDRESS: NMSNORVA@VERIZON.NET

02 June 2006

Pursuant to the request on 16 May 2005, from Stuart Shillibeer, W.K. Webster (Overseas) Ltd., New York, NY, the Undersigned attended a survey on 17 May 2005, on the premises of the Jones Apparel Warehouse, South Hill, VA, to ascertain the nature and extent of damage reported to a shipment of ladies clothing shipped in a container onboard the M/V "MARGARETHE MAERSK" and discharged in Norfolk, VA, on or about 08 May 2005.

ATTENDING SURVEY

Mr. Dan Sowets, Plant Manager and Ms. Vicky Walker, Quality Control Manager, Jones Apparel Group, South Hill, VA.

Mr. H.C. Mabie, Marine Surveyor, Norfolk Maritime Surveyors, Inc., Virginia Beach, VA, representing cargo interests.

MARKS AND NUMBERS

B/L No. Hong Kong/Norfolk MAEU501016075
Container MSKU6058710
One 40-Foot Container STC
9,993 Pieces plus 3,832 Sets
Ladies 100% Polyester Woven Garments
Pacific Isle 5/30
Net Weight 2,794 Kgs.

Container MAEU600017-6
One 40-Foot Container STC
9,906 Pieces Plus 2,718 Sets
Ladies 100% Polyester Woven Garments
Pacific Isle 5/30

Note: The container at issue under this Bill of Lading is MAEU600017-6. For a detailed breakdown of the various items shipped please see the attached shipping documents.

BACKGROUND

Two 40 foot containers of ladies garments were shipped from Hong Kong to Norfolk under the same bill of lading. They were loaded on 12 April 2005 and arrived in Norfolk, on 08 May 2005.

Phone: (757) 671-7773 * Fax: (757) 671-7776

P000000012

Mr. Shillibeer

Re: Jones Apparel Group

M/V "MARGARETHE MAERSK"

Your Ref No.: 10/0511127

NMS File No.: 10499

02 May 2006

Page 2

BACKGROUND (Continued)

The garments in both containers were from the same shipper. Some of the garments sold as two piece matching sets were separated with half the set in one container and half in the second container.

After discharge, both containers were displayed from the terminal in Norfolk, to the consignee's warehouse in South Hill, VA. They arrived there on 10 May, and the doors to both containers were opened for stripping.

When the doors to MAEU600017-6 were opened it was reported that there was a very strong foul odor inside the container. Notes written on one document during the opening described it as a "Diesel Fuel Odor".

Warehouse personnel removed six garments selected at random from the container. Three were hung by themselves in an open area of the warehouse to air out naturally. The other three garments were sent to a local commercial dry cleaner.

The odor from the naturally aired garments remained strong after several days. The odor from the dry cleaned garments was reduced but remained very noticeable.

All the garments remained in the container.

All parties at interest were notified and a survey was requested.

The vessel employed the firm of National Marine Services of New Jersey to conduct a survey. They had an adjuster from North Carolina look at the clothing but he was unable to identify the source of the odor. This survey was done several days prior to ours.

The second container, MSKU605871-0, was stripped into the warehouse and the garments were all accepted as sound. There was no odor reported.

FOUND

On 17 May 2005, we attended at the Jones Apparel Warehouse in South Hill, VA. Container MAEU600017-6 had been backed with its doors open to an open area of the main warehouse floor. As we approached the container from same distance across the open warehouse floor we were able to detect what in our opinion was an unpleasant chemical odor.

Mr. Shillibeer

Re: Jones Apparel Group

M/V "MARGARETHE MAERSK"

Your Ref No.: 10/0511127

NMS File No.: 10499

02 May 2006

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FOUND (Continued)

The three garments that were selected to be hung up and aired out plus those that were dry cleaned were on a nearby rack. We found that as reported, the odor was still prevalent in all six garments.

We first walked around the exterior of the ten year old, 40 foot container. There were no visible tide lines or other possible sources of the odor. The only external discrepancies were minor indent and paint scrapes.

There were the remains of hazardous cargo placards adhering to the front and sides. These indicated that a flammable liquid had been carried in the container on a prior voyage.

The container had been stowed overall with 12,624 garments consisting of ladies blouses and skirts in various sizes. Each garment was on a separate individual plastic hanger and individually wrapped in a clear poly bag that was folded and tape closed at the bottom.

Each hanger was placed in a loop that was knotted in a piece of line suspended from removable steel beams. These were secured across the width of the container just under the roof paneling.

Approximately 14 of these lines were suspended across the width of each beam. Each line had 9 knotted loops and 9 hangers and garments were hung from each loop.

Prior to loading the garments the entire interior of the container was lined with large sheets of clear polyethylene that had been taped to the underside of the roof, the sides and the floor. A large flap of this material hung from the after end of the roof and separated the doors from the after face of stow.

We were able to enter the container and walk to the forward end down a narrow void along the left side paneling. We were unable to note anything unusual about the stow other than the odor that was detectable throughout the container.

We took samples of the clothing from the forward end, mid length and the door end. These samples were to be sent to an independent laboratory for testing.

It was the intention of the insured to destroy the odor contaminated clothing after the testing was completed. The sound garments that were a part of the two piece sets and stowed in the other container would be sold at a discount.

Mr. Shillibeer

Re: Jones Apparel Group

M/V "MARGARETHE MAERSK"

Your Ref No.: 10/0511127

NMS File No.: 10499

02 May 2006

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FOUND (Continued)

At the time of our survey there were 12,624 garments in the container with the foul odor. In addition there were 7,080 garments that were a part of matching sets the other half of which were in the contaminated container. This made a total of 19,704 garments at issue.

When we contacted the surveying company who represented the vessel, they stated that they were unable to determine the cause of the odor and that the container's previous cargo was some form of lumber.

Several days later when we contacted the surveying company again, they indicated that the containers previous contents may have been telephone poles.

On 23 May 2005, the samples of contaminated clothing along with a sound sample taken from the second container were forwarded to the laboratory EMSL Analytical Inc., of Westmont, NJ.

The initial results of the laboratory testing were forwarded to us on 24 June 2005. The major volatile component found was Cyclohexane whose uses include a solvent for wood preservatives.

In speaking with the laboratory technicians they remarked that when the bag with the samples was first opened in the laboratory, one technician mentioned the odor reminded him of preserved wood.

On completion of the testing permission was given to the insured to destroy the contaminated garments. The vessel's surveyor was invited but declined to attend the destruction.

On 30 July 2005, the garments were destroyed in an incinerator in Fairfax, Virginia. Prior to destruction all of the plastic wrapping and the garment hangers had to be individually removed by hand.

Commencing in September 2005, we began a series of telephone calls and fax messages for Mr. J. Donnelly, the Senior Vice President of Corporate Tax and Risk Management of the Jones Apparel Group in Bristol, PA. We were requesting the status of the sale of the related non-contaminated ladies blouses and the final amount of claim.

The final claim statement was not received until 31 May 2006.

Mr. Shillibeer
Re: Jones Apparel Group
M/V "MARGARETHE MAERSK"
Your Ref No.: 10/0511127
NMS File No.: 10499
02 May 2006
Page 5

ANTICIPATED CLAIM

The insured has presented a claim of \$142,722.81 to include items such as lost profits that we are not able to comment upon. In reviewing that portion of the claim with which we are familiar we would comments as follows:

1. The cost of destroying the damaged garments, \$5,700.00 does not appear on the claim statement.
2. One of the items destroyed, PO No. W7017521, Style JLACWYNC, 2,718 units, is shown on the claim statement as having a unit cost of \$5.28. On the invoice of the shipper, PYL Apparel Ltd., No. PYL-019/05-06 dated 12 April 2005, this item's unit price is given as \$4.15. The remaining extended costs appear accurate and we would agree to them as fair and reasonable.
3. The PO number of the item that was sold at a reduction does not match that given on the claim statement. The statement indicates that 6,729 units were sold while we were given the number of 7,080 blouses that would be sold at a discount. The claim statement gives a unit cost of \$5.56 while the invoice price for the blouse with the highest cost was \$4.34.

With a reported salvage sale of \$4.50 (average) per unit, we would agree to the sale as most fair and reasonable.

CAUSE OF DAMAGE

In our opinion the cause of the odor which contaminated the garments originated from the cargo previously carried in the container.

Samples of the clothing tested by an independent laboratory found the predominate present of the chemical Cyclohexane. This chemical is in the material used to preserve wood. This previous cargo in the container was lumber, later identified as probably telephone poles. These are items that would definitely be treated with a wood preservative and in our opinion was the source of the odor.

Mr. Shihbeer

Re: Jones Apparel Group

M/V "MARGARETHE MAERSK"

Your Ref No: 10/0511127

NMS File No.: 10499

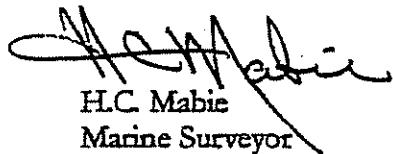
02 May 2006

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The above survey is a statement of opinion made, signed and submitted without prejudice to the rights and or interest of whom it may concern.

Respectfully,

Norfolk Maritime Surveyors, Inc.



H.C. Mabie
Marine Surveyor

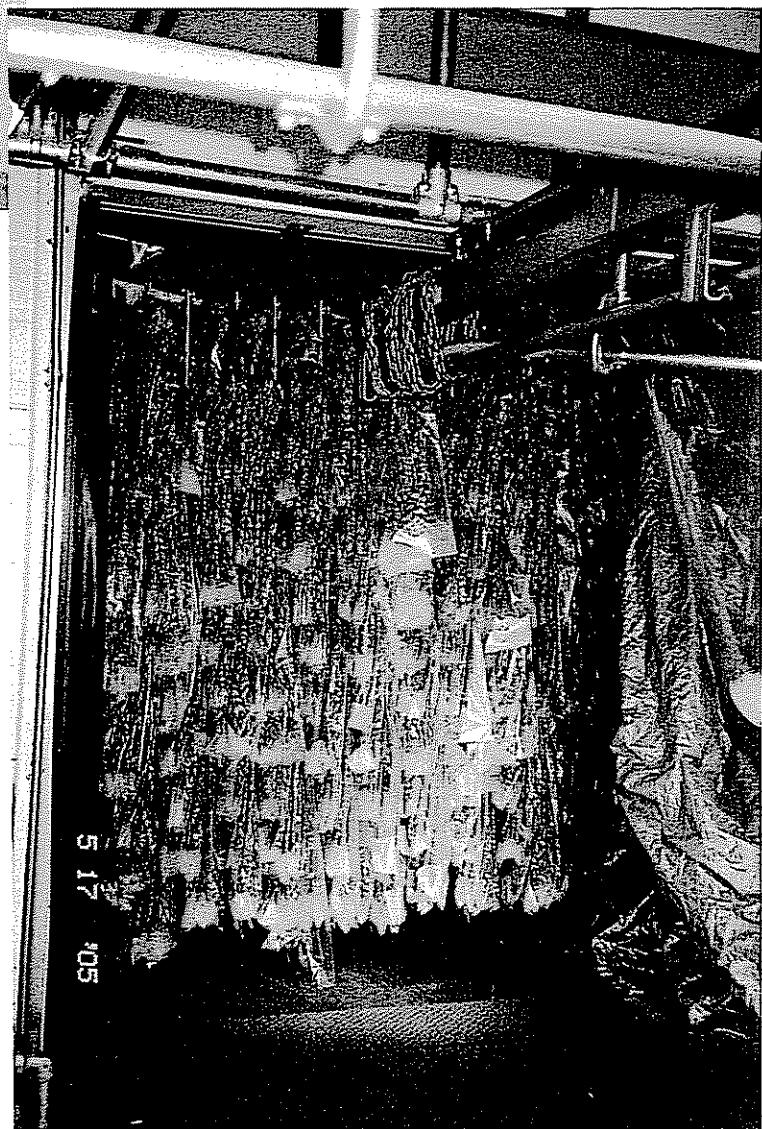
HCM/mrt

- Enclosures:
- (1) Photographs
 - (2) Bill of Lading
 - (3) Container Interchange Ticket
 - (4) Container Delivery Order
 - (5) Container Packing Lists
 - (6) Commercial Invoice
 - (7) Sample Chain of Custody Forms
 - (8) Preliminary Lab Results
 - (9) Final Laboratory Report
 - (10) Destruction Documents
 - (11) Invoice for Destruction of Garments
 - (12) Final Claim Statement
 - (13) Our Invoice for Services Rendered

EXHIBIT 5



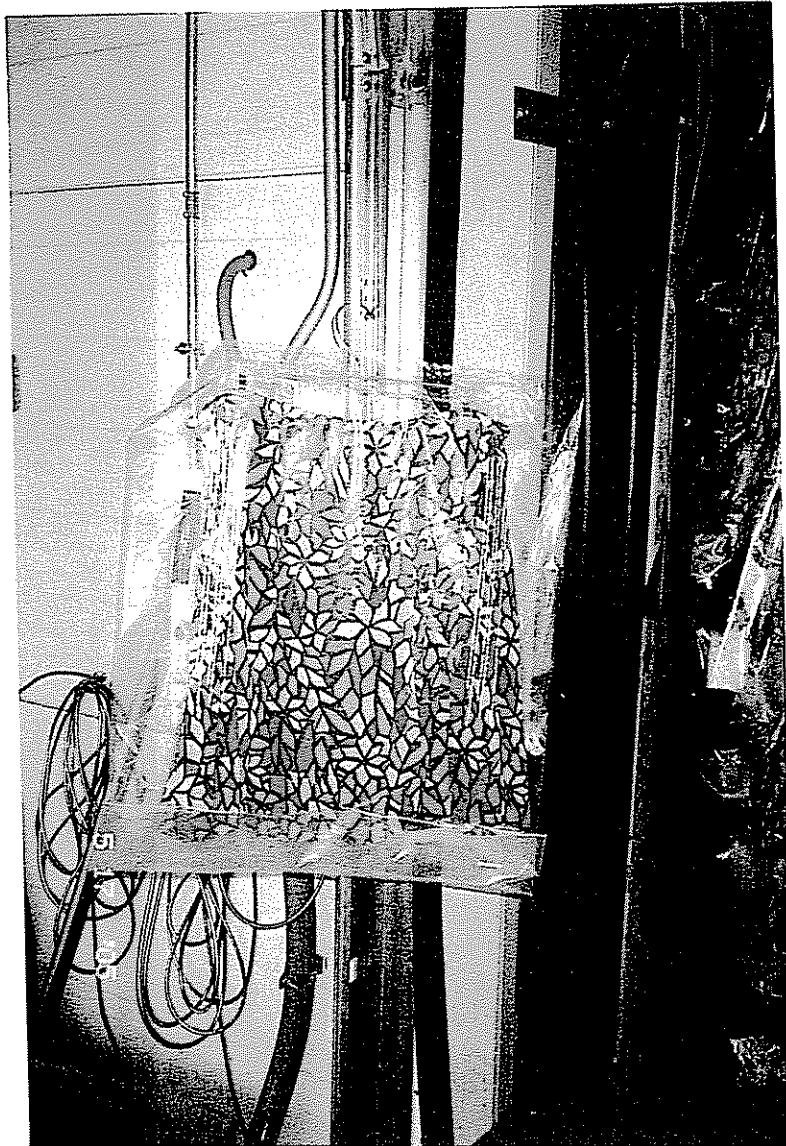
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2



20



6

EXHIBIT 6

RM. 1101-02, 11/F, STELUX HOUSE, 89, JINCE EDWARD
 RD. EAST, SAN PO KONG, KOWLOON
 TELEPHONE: (852) 2328 5595
 FAX: (852) 2352 0211

PACKING LIST

INVOICE NO. PYL-019/05-06

DATE: 11 APR., 2005
 L/C NO. TD6055000553B1-5

SHIPPED PER: MARGRETHE MAERSK V.0508

DATE SHIPPED: 11 APR., 2005

FROM: HONG KONG TO SOUTH HILL, U.S.A.

MARKS & NOS.:

PACKING DETAIL OF 40' CONTAINER(MAEU6000178).

DIMENSION OF CARTON: HANGING GARMENT

TOTAL GROSS WEIGHT: 2767 KGS.

TOTAL NET WEIGHT: 2263 KGS.

TOTAL SHIPPED: 9908 PCS. + 2718 SETS

GROUP: PACIFIC ISLE 5/30

GARMENT
ON
HANGER

DESCRIPTION: 'LADIES' 100% POLYESTER WOVEN BLOUSE+LADIES' 100% POLYESTER WOVEN TOP.

SIZE RANGE:

BAR	STYLE NO.	COLOR	LOT ON.		4P	6P	8P	10P	12P	14P	TOTAL
1	JLACWYN	BROWN CMB	W2017521B	STOCK	259	293					552 SETS.
2	JLACWYN	BROWN CMB	W2017521B	STOCK		50	422	65			537 SETS.
3	JLACWYN	BROWN CMB	W2017521B	STOCK			451	88			547 SETS.
4	JLACWYN	BROWN CMB	W2017521B	STOCK				500	48		548 SETS.
5	JLACWYN	BROWN CMB	W2017521B	STOCK					534		534 SETS.
											2718 SETS.

DESCRIPTION: 'LADIES' 100% POLYESTER WOVEN SKIRT.

SIZE RANGE:

BAR	STYLE NO.	COLOR	LOT ON.		4	6	8	10	12	14	16	TOTAL
6	JJACWYND	BROWN CMB	W2017518B	STOCK	29	29	58	58	87	58	29	348 PCS.
6	JJACWYND	BROWN CMB	W2017518B	STOCK	3	4	5	6	8	6	4	35 PCS.
6	JJACWYND	BROWN CMB	W2017518B	STOCK	18	27	27	38	45	36	27	218 PCS.
7	JJACWYND	BROWN CMB	W2017518B	STOCK	8	9	12	18	21	15	9	80 PCS.
7	JJACWYND	BROWN CMB	W2017518B	STOCK	48	48	72	88	96	72	48	480 PCS.
8	JJACWYND	BROWN CMB	W2017518B	STOCK	48	98	144	144	192			624 PCS.
9	JJACWYND	BROWN CMB	W2017518B	STOCK					144	88		240 PCS.
9	JJACWYND	BROWN CMB	W2017518B	STOCK	23	23	23	48	46	46	23	230 PCS.
10	JJACWYND	BROWN CMB	W2017518B	STOCK	96	182	182	100				580 PCS.
11	JJACWYND	BROWN CMB	W2017518B	STOCK				188	288	100		576 PCS.
12	JJACWYND	BROWN CMB	W2017518B	STOCK					188	182		380 PCS.
12	JJACWYND	BROWN CMB	W2017518B	STOCK	120	80						200 PCS.
13	JJACWYND	BROWN CMB	W2017518B	STOCK		160	240	180				580 PCS.
14	JJACWYND	BROWN CMB	W2017518B	STOCK			60	360	160			580 PCS.
15	JJACWYND	BROWN CMB	W2017518B	STOCK				80	240			320 PCS.
15	JJACWYND	BROWN CMB	W2017518B	STOCK	144	121						265 PCS.
16	JJACWYND	BROWN CMB	W2017518B	STOCK			276	273				549 PCS.
17	JJACWYND	BROWN CMB	W2017518B	STOCK					420	150		570 PCS.
18	JJACWYND	BROWN CMB	W2017518B	STOCK					138	144		282 PCS.
												7146 PCS.

DESCRIPTION: 'LADIES' 100% POLYESTER WOVEN SKIRT.

SIZE RANGE:

BAR	STYLE NO.	COLOR	LOT ON.		4P	6P	8P	10P	12P	14P	TOTAL
18	JLACWYND	BROWN CMB	W2017522B	STOCK	341						341 PCS.
19	JLACWYND	BROWN CMB	W2017522B	STOCK		347	200				547 PCS.
20	JLACWYND	BROWN CMB	W2017522B	STOCK			240	350			590 PCS.
21	JLACWYND	BROWN CMB	W2017522B	STOCK				253	400		653 PCS.
22	JLACWYND	BROWN CMB	W2017522B	STOCK					187	432	629 PCS.
											2760 PCS.

For and on behalf of
 PYL APPAREL LIMITED
 太平洋依力製衣有限公司

Authorized Signature(s)

P000000031

RD. EAST, SAN PO KONG , KOWLOON
 TELEPHONE: (852) 2328 5595
 FAX: (852) 2352 0211

PACKING LIST

INVOICE NO. PYL-019/05-06

DATE: 11 APR., 2005
 UC NO. TD805500055381-5

SHIPPED PER: MARGRETHE MAERSK V.0506

MARKS & NOS.:

DATE SHIPPED: 11 APR., 2005

FROM: HONG KONG TO SOUTH HILL,U.S.A.

GARMENT
 ON
 HANGER

PACKING DETAIL OF 40'CONTAINER(MAEU6000176).

DIMENSION OF CARTON: HANGING GARMENT

TOTAL GROSS WEIGHT 2767 KGS.

TOTAL NET WEIGHT : 2263 KGS.

TOTAL SHIPPED : 9906 PCS. + 2718 SETS

GROUP: PACIFIC ISLE 5/30

DESCRIPTION: 'LADIES' 100% POLYESTER WOVEN BLOUSE+LADIES' 100% POLYESTER WOVEN TOP.

SIZE RANGE:

STYLE NO.	COLOR	LOT NO.	4P	6P	8P	10P	12P	14P	TOTAL
JLACWYN	BROWN CMB	W2017521B	STOCK	259	343	422	516	588	2718 SETS. COMPLETED
									2718 SETS.

DESCRIPTION: 'LADIES' 100% POLYESTER WOVEN SKIRT.

SIZE RANGE:

STYLE NO.	COLOR	LOT NO.	4	6	8	10	12	14	16	TOTAL
JJACWYND	BROWN CMB	W2018513B	STOCK	29	29	58	58	87	58	348 PCS. COMPLETED
JJACWYND	BROWN CMB	W2017518B	STOCK	508	780	891	1147	1478	1135	8798 PCS. COMPLETED

7148 PCS.

DESCRIPTION: 'LADIES' 100% POLYESTER WOVEN SKIRT.

SIZE RANGE:

STYLE NO.	COLOR	LOT NO.	4P	6P	8P	10P	12P	14P	TOTAL	
JLACWYN	BROWN CMB	W2017522B	STOCK	341	347	440	803	897	432	2760 PCS. COMPLETED

2760 PCS.

For and on behalf of
PYL APPAREL LIMITED
 太平洋依力製衣有限公司

Authorized Signature(s).

EXHIBIT 7

RM. 1101-02 • 11/F • STELUX HOUSE • 898, JUNCE EDWARD
 RD. EAST, SAN PO KONG, KOWLOON
 TELEPHONE: (852) 2328 5595
 FAX: (852) 2352 0211

PACKING LIST

INVOICE NO. PYL-018/05-08

 DATE: 11 APR., 2005
 LC NO. TD605500055381-5

SHIPPED PER: MARGRETHE MAERSK V.0506

MARKS & NOS.:

DATE SHIPPED: 11 APR., 2005

FROM: HONG KONG TO SOUTH HILL U.S.A.

GARMENT

ON

HANGER

PACKING DETAIL OF 40' CONTAINER(MSKU6056710).

DIMENSION OF CARTON: HANGING GARMENT

TOTAL GROSS WEIGHT:	3348	KGS.
TOTAL NET WEIGHT :	2794	KGS.
TOTAL SHIPPED:	8993	PCS. + 3832 SETS

GROUP: PACIFIC ISLE 5/30

DESCRIPTION: 'LADIES' 100% POLYESTER WOVEN SKIRT.

BAR	STYLE NO.	COLOR	LOT ON.	STOCK	4P 6P 8P 10P 12P 14P						TOTAL	
					341	347	432	200	405	200	404	
1	JLACXYBX	BERRY RED	W2017623B	STOCK								688 PCS.
2	JLACXYBX	BERRY RED	W2017523B	STOCK			432	200				632 PCS.
3	JLACXYBX	BERRY RED	W2017523B	STOCK				405	200			605 PCS.
4	JLACXYBX	BERRY RED	W2017623B	STOCK					404	200		604 PCS.
5	JLACXYBX	BERRY RED	W2017523B	STOCK						231		231 PCS.
												2760 PCS.

DESCRIPTION: 'LADIES' 100% POLYESTER WOVEN SKIRT.

BAR	STYLE NO.	COLOR	LOT ON.	STOCK	4 6 8 10 12 14 16						TOTAL		
					32	32	63	63	95	63	32		
5	JJACXYBX	BERRY RED	W2018514B	STOCK								380 PCS.	
6	JJACXYBX	BERRY RED	W2017519B	STOCK	23	23	23	46	48	46	23	230 PCS.	
8	JJACXYBX	BERRY RED	W2017519B	STOCK	18	27	27	36	45	36	27	216 PCS.	
6	JJACXYBX	BERRY RED	W2017519B	STOCK	6	9	12	18	21	15	9	90 PCS.	
6	JJACXYBX	BERRY RED	W2017519B	STOCK	3	4	5	6	8	6	4	38 PCS.	
7	JJACXYBX	BERRY RED	W2017519B	STOCK	48	48	72	98	95	72	48	480 PCS.	
7	JJACXYBX	BERRY RED	W2017519B	STOCK	48	96						144 PCS.	
8	JJACXYBX	BERRY RED	W2017619B	STOCK			144	144	182	144	98	720 PCS.	
9	JJACXYBX	BERRY RED	W2017519B	STOCK			96	182	182	150		630 PCS.	
10	JJACXYBX	BERRY RED	W2017519B	STOCK					138	288	200	626 PCS.	
11	JJACXYBX	BERRY RED	W2017519B	STOCK						88	192	280 PCS.	
11	JJACXYBX	BERRY RED	W2017519B	STOCK			120	240				360 PCS.	
12	JJACXYBX	BERRY RED	W2017519B	STOCK				240	240	140		820 PCS.	
13	JJACXYBX	BERRY RED	W2017519B	STOCK					220	240	180	820 PCS.	
14	JJACXYBX	BERRY RED	W2017519B	STOCK						80		80 PCS.	
14	JJACXYBX	BERRY RED	W2017519B	STOCK			145	144	281			570 PCS.	
15	JJACXYBX	BERRY RED	W2017519B	STOCK					291	340		631 PCS.	
16	JJACXYBX	BERRY RED	W2017519B	STOCK						82	291	147	520 PCS.
												7233 PCS.	

DESCRIPTION: 'LADIES' 100% POLYESTER WOVEN BLOUSE+LADIES' 100% POLYESTER WOVEN TOP.

BAR	STYLE NO.	COLOR	LOT ON.	STOCK	4 6 8 10 12 14 16						TOTAL	
					32	32	63					
16	JJACXYNC	BERRY RED	W2018515B	STOCK				63	95	63	32	127 SETS
17	JJACXYNC	BERRY RED	W2018515B	STOCK					63	46	46	253 SETS
17	JJACXYNC	BERRY RED	W2017520B	STOCK	23	23	23	46	46	46	23	230 SETS
17	JJACXYNC	BERRY RED	W2017520B	STOCK	3	4	5	6	8	6	4	36 SETS
17	JJACXYNC	BERRY RED	W2017520B	STOCK	6	9	12	18	21	15	9	90 SETS
18	JJACXYNC	BERRY RED	W2017520B	STOCK	48	48	72	96	96	72	48	480 SETS
18	JJACXYNC	BERRY RED	W2017520B	STOCK	18	27	27	36	45	36	27	216 SETS
19	JJACXYNC	BERRY RED	W2017520B	STOCK	48	96	144	144	182			624 SETS
20	JJACXYNC	BERRY RED	W2017520B	STOCK					144	96		240 SETS
20	JJACXYNC	BERRY RED	W2017520B	STOCK			96	189	60			348 SETS
21	JJACXYNC	BERRY RED	W2017520B	STOCK				135	289	160		584 SETS
22	JJACXYNC	BERRY RED	W2017520B	STOCK					129	282	193	504 SETS
												3832 SETS

For and on behalf of
PYL APPAREL LIMITED
 太平洋依力製衣有限公司

Authorized Signature(s)

RM. T101-02, 11/F, STELLIX HOUSE, 698 PRINCE EDWARD
 RD. EAST, SAN PO KONG, KOWLOON
 TELEPHONE: (852) 2328 5585
 FAX: (852) 2352 0211

PACKING LIST

INVOICE NO. PYL-019/05-06

DATE: 11 APR., 2005
 UC NO. TD805500055381-5

SHIPPED PER: MARGRETHE MAERSK V.0506

MARKS & NOS.:

DATE SHIPPED: 11 APR., 2005

FROM: HONG KONG TO SOUTH HILL, U.S.A.

GARMENT

ON

HANGER

PACKING DETAIL OF 40' CONTAINER(MSKU805871D).

DIMENSION OF CARTON: HANGING GARMENT

TOTAL GROSS WEIGHT 3348 KGS.

TOTAL NET WEIGHT 2794 KGS.

TOTAL SHIPPED: 8883 PCS. + 3832 SETS

GROUP: PACIFIC ISLE 5/30

DESCRIPTION: 'LADIES' 100% POLYESTER WOVEN SKIRT.

STYLE NO.	COLOR	LOT ON.	4P	6P	8P	10P	12P	14P	TOTAL
JLACXYBX	BERRY RED	W2017523B	STOCK	341	347	432	605	604	431
									2760 PCS. COMPLETED

2760 PCS.

2760 PCS.

DESCRIPTION: 'LADIES' 100% POLYESTER WOVEN SKIRT.

STYLE NO.	COLOR	LOT ON.	4	6	8	10	12	14	16	TOTAL
JJACXYBX	BERRY RED	W2018514B	STOCK	32	32	63	63	85	63	380 PCS. COMPLETED
JJACXYBX	BERRY RED	W2017519B	STOCK	507	783	896	1185	1478	1138	788

380 PCS. COMPLETED

6853 PCS. COMPLETED

7233 PCS.

DESCRIPTION: 'LADIES' 100% POLYESTER WOVEN BLOUSE+LADIES' 100% POLYESTER WOVEN TOP.

STYLE NO.	COLOR	LOT ON.	4	6	8	10	12	14	16	TOTAL
JJACXYNC	BERRY RED	W2018515B	STOCK	32	32	63	63	85	63	380 SETS COMPLETED
JJACXYNC	BERRY RED	W2017520B	STOCK	245	398	478	635	897	601	400

380 SETS COMPLETED

3452 SETS COMPLETED

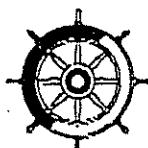
3832 SETS

For and on behalf of
PYL APPAREL LIMITED
 太平洋依力製衣有限公司

Authorized Signature(s)

P000000030

EXHIBIT 8



NATIONAL MARINE CONSULTANTS INC.

236 Erneston Road, Parlin, N.J. 08859 • Tel. 732-553-9210 • Fax. 732-553-9215
e-mail: nmci@natmar.com, web site : www.natmar.com

PRELIMINARY REPORT OF SURVEY

Report no.: N 59116/05

May 18, 2005

Examined for : The account of whom it may concern.
Requested by : Maersk Sealand, Charleston, SC
(Ms. Trudy Coffey)
Vessel : Margrethe Maersk, Voy. #0506
Date/time survey requested: May 11, 2005 @ 1210 Hours
Date survey commenced : May 12, 2005
Date survey completed : May 12, 2005
Container No. : MAEU 600017-6 (20')
B/L Number : MAEU501016075
Shipment : 15,347 pieces garments
Purpose of Survey: To ascertain the cause and extent of damage.
Shipper : PYL Apparel Limited
RM 1101-02, 11/F Stelux House
698 Prince Edward Rd. East
Sao Po Kong, KLN
Consignee : To order of Norton McNaughton of Squire Inc.
Value of Shipment: Unknown

On May 12, 2005, we attended at the premises of Jones Apparel Warehouse, 170 Butts Street, South Hills, Virginia, in order to examine the subject shipment and report on conditions sighted.

Background information

On May 11, 2005, the warehouse opened the subject container and a strong diesel odor was emanating from the cargo. Three samples were pulled and sent for dry cleaning.

National Marine Consultants Inc.
N 59116/05 Margrethe Maersk

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The three samples after dry cleaning still retained the odor even though there were no stains on any of the clothing.

Our principals therefore requested us to inspect the cargo and container and report on conditions sighted.

Cargo Underwriters Information

This information was not made available to us, but Mr. Hal Mabee, of Norfolk Maritime, the Surveyors representing the Cargo Underwriters examined the cargo at a later date.

Persons attending during the survey

Ms. Vicky Walker of Jones Apparel Warehouse was present during our inspection.

Shipment Description

The subject shipment is said to comprise of 15,347 pieces of ladies garments.

Cargo stowage and condition in stow

The garments were hanging from the ceiling with the sides and floor lined by plastic sheets. The skirts and blouses were hanging on a corded rope in loops and on plastic hangers in five rows.

We noted a strong odor inside the container.

Container Information

1. Roof panel : No exceptions noted.

2. Side panels

Right side : Old minor dents and rust areas.
Left side : Old minor dents and rust areas.

National Marine Consultants Inc.
N 59116/05 Margrethe Maersk

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3. Front panel : Old minor dents and rust areas.
4. Door panels
- Right door : No exceptions noted.
Left door : No exceptions noted.
5. Remarks : There were "Flammable/Hazardous" stickers that had been attempted to be removed and parts of the warning stickers were still visible. These stickers were located on left and right panels, as well as the doors.

Condition of the shipment (findings)

The strong odor could be smelt even from 20-30 feet of the container. The odor appeared stronger at the rear end than at the front of the container. The odor appears to be absorbed within all the garments. Even though the doors had been opened about 2 hours prior to our inspection, the strong odor still prevailed within the container and the cargo. Even dry cleaned pieces of garments retained the odor. We did not see any stains of soil markings on the clothes.

Our surveyor was of the opinion that the odor was more chemical than of diesel fuel.

Salinity Tests

No Water damage was noted or reported and hence, a salinity test was not necessary.

Probable cause of the damage

The previous cargo was lumber and the shipper confirmed that there was no smell during loading of the cargo.

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N 59116/05 Margrethe Maersk

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We should also look into the location of the container on the vessel to see if the smell emanated from the hold.

This preliminary report is based on facts presently known to the surveyor in attendance and is issued without prejudice to the rights of whom it may concern. The right to amend or supplement this report should additional information be made available is reserved.

National Marine Consultants Inc.

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